

FISCAL YEAR 2006 FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS BILL – H.R. 3057

SUMMARY

The Foreign Operations, Export Financing and Related Programs appropriations bill reported to the House on 24 June 2005 (H.R. 3057; H. Rept. 109-152) provides \$20.270 billion in new budget authority and \$25.065 billion in outlays for fiscal year 2006. The bill is consistent with the appropriate levels in the conference agreement on the fiscal

year 2006 budget resolution (H. Con. Res. 95), and hence complies with the applicable provisions of the Congressional Budget Act. This is the 10th of 11 appropriations bills for the fiscal year beginning 1 October 2005. The measure reflects the reorganization of the appropriations subcommittees.

COST OF THE LEGISLATION

The \$20.270 billion in new budget authority [BA] is equal to the 302(b) suballocation to the Subcommittee on Foreign Operations, Export Financing and Related Programs; the \$25.065 billion in outlays are \$15 million below the suballocation (see Table 1 below). Although the bill is \$2.560 billion below the President's request in BA, it

provides a 2.9 percent increase over fiscal year 2005 (excluding 2005 spending designated as an emergency).

The bill contains no emergency-designated budget authority or advance appropriations. It includes a rescission of \$64 million in previously enacted appropriations.

Table 1: Foreign Operations, Export Financing and Related Programs Appropriations Bill ^a
(fiscal years; millions of dollars)

	2005 Spending	Administration 2006	302 (b) for 2006	Bill
Budget Authority	19,699	22,830	20,270	20,270
Outlays	25,584	25,490	25,080	25,065

^a Excludes emergency-designated appropriations.

COMPLIANCE WITH THE BUDGET RESOLUTION

As noted, the bill complies with provisions of the Congressional Budget Act because it is consistent with the appropriate levels in the budget resolution. Because the levels of budget authority and outlays in the bill are within

the 302(b) suballocations, the point of order under section 302(f) of the Budget Act does not apply. The \$64-million rescission is from Economic Support Funds appropriated for fiscal year 2005 in the Consolidated Appropriations Act.

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Table 2: Discretionary Spending in the Foreign Operations Appropriations Bill
(in millions of dollars)

	2005 Budget Authority ^a	2005 Outlays ^a	2006 Budget Authority	2006 Outlays	Difference BA	Difference Outlays
International Security Assistance	7,896	8,389	7,616	8,165	-280	-224
Multilateral Assistance	1,663	2,340	1,643	1,756	-20	-584
Agency for International Development . . .	5,065	5,261	4,949	5,209	-116	-52
Millennium Challenge	1,488	405	1,750	1,110	262	705
Other International Programs	269	260	239	229	-30	-31
Department of State Programs	3,219	2,457	3,913	3,187	694	730
Export-Import Bank and Other	99	422	160	379	61	-43
Executive Office of the President	—	6,050	—	5,030	—	-1,020
Total	19,699	25,584	20,270	25,065	571	-519
^a Excludes emergency-designated appropriations.						

DISCUSSION

The \$20.27 billion in discretionary BA provided in the bill is an increase of \$571 million, or 2.9 percent, from the 2005 enacted level (see Table 2 above). The amount is \$2.560 billion below the administration request.

For most foreign operations and export financing accounts funded through this bill, funding in the bill is broadly consistent with the President's request. Much of the decrease from the request occurs in a few accounts where the administration has requested substantial increases. The bill provides \$1.25 billion less than requested for the Millennium Challenge Corporation; \$478 million less in Economic Support Funds; and \$146 million less in Foreign Military Financing funding. In addition, the bill recommends no funding for Iraq – a reduction of \$459 million relative to the request – and the report accompanying the bill says there are large amounts of unobligated funds previously appropriated for Iraq relief and reconstruction. H.R. 3057 also provides no funding for the World Bank's Global Environment Facility [GEF] – a \$107-million reduction from 2005 – and the report called for the adoption of a performance-based allocation system.

Other items of interest include the following:

- *HIV/AIDS, TB, and Malaria, \$2.695 billion:* The bill provides a record level of funding to combat HIV/AIDS, tuberculosis, and malaria. This is \$131 million more than requested by the President, and \$502

million more than in fiscal year 2005. Of the amount, \$2.319 billion is provided for HIV/AIDS programs, \$234 million for malaria programs, and \$142 million for tuberculosis programs.

- *Israel, \$2.5 billion:* The bill fully funds the President's \$2.28-billion request for Foreign Military Financing [FMF] for Israel, a \$78-million increase over 2005. It also fully funds the President's \$240-million request for economic assistance to Israel, a \$117-million reduction compared with 2005. The level is consistent with the U.S.-Israeli agreement for a phased reduction in Economic Support Fund assistance.
- *Egypt, \$1.8 billion:* The bill fully funds the President's \$1.3-billion request for FMF for Egypt, the same as fiscal year 2005. It also fully funds the President's \$495-million request for economic assistance to Egypt, a \$35-million decrease compared with 2005.
- *Afghanistan, \$920 million:* The bill fully funds the President's \$430-million request for economic assistance for Afghanistan, a \$107-million increase over 2005, excluding supplementals.
- *Jordan, \$462 million:* The bill fully funds the President's \$206-million request for FMF for Jordan. It also fully funds the President's request for \$250 million for economic assistance to Jordan.

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